Agenda

Town of Rose Hill

Board of Commissioners

Regular Meeting
6 pm
March 10, 2026
Rose Hill Conference Room
103 SE Railroad Street

Call to Order: Mayor Davy C. Buckner

Invocation: Mayor Davy C. Buckner will ask a Board Member to give the invocation

Pledge of Allegiance: Mayor Davy C. Buckner lead the Pledge of Allegiance

APPROVAL OF AGENDA

PUBLIC COMMENT
(Limit 3 minutes per individual)

I. Consent Agenda

A. Approval of Meeting Minutes, February 24, 2026
B. Accept Letter From Fire Department Requesting FY 26-27 Contribution
C. Approval of FY 25-26 Budget Amendment #14: General Fund: $90,000

II. Action Agenda

A. Consider Approval of Final Plat Submission from Chasten Wallace for the Subdivision of an Approximately 1.86 Acres into Six (6) Lots
B. Consider Approval of Resolution Approving a New Performance Guarantee Agreement with Chasten Wallace for the Guarantee of Installation of Required Improvements Within the Wallace Church Street Subdivision
C. Consider Approval of FY Ending 6/30/2026 Audit Contract with Thompson, Price, Scott Adams & Co., P.A. $16,500 Audit Fee and $3,000 Per Major Program Fee (if applicable); Total Not to Exceed $25,500.00

III. Report

A. Administration
- Monthly Budget vs. Actual
- Cash Report

B. Police

C. Fire

D. Public Works

E. Recreation
- Approval of Recreation Board Appointment

F. Tax Collection

G. Attorney

FY 26-27 Budget Work Session
Refer to Attached Agenda

IV. Comments from Mayor and Board

V. Adjourn

Minutes
Town of Rose Hill

Board of Commissioners
Rescheduled
Amended Regular Meeting
February 24, 2026
Town of Rose Hill Conference Room
103 SE Railroad Street

Call to Order: Mayor Davy C. Buckner

In attendance were Mayor Davy C. Buckner, Mayor Pro Tempore Billy Wilson, Commissioner Perry Tully, Commissioner Tashau Mathis and Commissioner Adam Quinn; Commissioner Calvin Miller was absent. Also in attendance were Town Administrator Angela Smith, Town Clerk Keren Parker, Deputy Clerk Vickie Dixon, Town Attorney Kenn Thompson, Public Works Director Blake Parker, and Chief Michael Tyndall. There was a total of four (4) citizens in the audience.

Invocation: Commissioner Perry Tully gave the invocation

Pledge of Allegiance: Mayor Davy C. Buckner lead the Pledge of Allegiance

APPROVAL OF AGENDA

Approved
Motion: Commissioner Adam Quinn
Seconded: Commissioner Billy Wilson
Vote: Yes 4 No 0

PUBLIC COMMENT
(Limit 3 minutes per individual)

None.

I. Consent Agenda
- A. Approval of Meeting Minutes, January 13, 2026
- B. Consider Approval of FY 25-26 Budget Ordinance Amendment #13: Water and Sewer: $4,400.00
- C. Consider Adoption of Resolution Adopting Sampson- Duplin Regional Hazard Mitigation Plan

Approved
Motion: Commissioner Adam Quinn
Seconded: Commissioner Tashau Mathis
Vote: Yes 4 No 0

II. Action Agenda

A. Consider Approval of FY 26-27 Annual Support Agreement with Southern Software for $4,818.00

Approved
Motion: Commissioner Adam Quinn
Seconded: Commissioner Tashau Mathis
Vote: Yes 4 No 0

B. Consider Approval of Media Upgrades to Conference Room: Purchase and Install Necessary Equipment: $3,020.00

At the January meeting a citizen suggested the installation of television/ screens to be placed at the meeting room to allow the audience to view documents during important presentations. TA Smith informed the board that two televisions and a laptop would need to be purchased. The estimated total cost for the purchase and installation of the equipment is $3,020.00

Approved
Motion: Commissioner Adam Quinn
Seconded: Commissioner Billy Wilson
Vote: Yes 4 No 0

C. Consider Approval of Police Department Laptops Purchase: $7,800

The Police Department has a total of five patrol vehicles. Three of the vehicles are equipped with rugged laptops, and the other two vehicles have standard laptops. One of the rugged laptops is no longer functioning, and the other two are outdated. TA Smith reported that the Police Department budget includes $10,000 remaining in the vehicle purchase line item. These funds have been reallocated to replace the rugged laptops that are no longer working plus the two standard. The cost of the replacement equipment is $7,500, with additional software installation costs of approximately $300. The remaining two will be budgeted in FY 26-27.

Commissioner Tashau Mathis asked Police Chief Michael Tyndall if the issues with the laptops were because they needed a software upgrade to them or were the laptops just outdated? Police Chief Tyndall responded to Commissioner Mathis that one of the screens on the laptops has gone black because normal laptops cannot withstand the heat/cool weather in a vehicle, plus the laptops currently run on Windows 10 software.

Approved
Motion: Commissioner Adam Quinn
Seconded: Commissioner Perry Tully
Vote: Yes 4 No 0

D. Consider Approval of Change Order No. 1: Town of Rose Hill Stormwater Project (Golden Leaf): $5,459.48

TA Smith informed the board that the purpose behind Change Order No.1 is to install an interference box at the corner of Walnut Street and Sycamore Street, the sewer line currently sits too low. During excavation for the storm drain installation, it was discovered that the existing sewer service line crossed the path of the proposed storm drainpipe. It requires immediate resolution to maintain service and avoid construction delays.

Mayor Davy C. Buckner asked about the function of interference box. Public Works Director Blake Parker stated that the sewer line will run through the interference box. It will be an access point to maintain the sewer line.

Motion: Commissioner Tashau Mathis
Seconded: Commissioner Adam Quinn
Vote: Yes 4 No 0

E. Consider Approval of Signatory Resolution for CDBG- NR Program

TA Smith informed the board that a new signatory resolution for the CDBG-NR Program was necessary. This will reflect the removal of former Mayor Pro Tempore Marsha Whaley and the addition of current Mayor Pro Tempore William Wilson to the list of authorized signatories.

Approved
Motion: Commissioner Tashau Mathis
Seconded: Commissioner Adam Quinn
Vote: Yes 4 No 0

F. Consider Approval of Repair to Gravity Sewer Line on Charity Road: $31,229 (plus any applicable taxes)

At the January meeting the board was provided with a quote of $31,229 for the internal repair of the Gravity Sewer Line located on Charity Road. The board requested additional quotes to be provided; however, several contractors were contacted but none provided services for this type of repair. TA Smith reported that funds were budgeted in wastewater for handrail repairs ($15,000). These funds may be transferred to contracted services, leaving the remaining $19,000 to be covered in the fund balance. The handrail repairs will be budgeted in the next fiscal year. TA Smith also informed the Board that the point repair would come with a 50 year warranty. Since AC Shultes was subcontracting the job out, AC Shultes warranty of 1 year would not apply.

Resolved, by the Rose Hill Board of Commissioners that repairs to the Charity Road gravity sewer line be completed by AC Schultes at a cost of $31,229 (plus any applicable taxes) and any additional repairs needed will be provided separately is **Approved**.

Motion: Commissioner Adam Quinn
Seconded: Commissioner Billy Wilson
Vote: Yes 4 No 0

G. Approval of Budget Amendment #9: Sewer: $19,000

Approved
Motion: Commissioner Adam Quinn
Seconded: Commissioner Tashau Mathis
Vote: Yes 4 No 0

H. Consider Approval of Reconstruction of Sidewalk- Downtown East Church Street

At the January meeting the board was provided with a quote for the reconstruction of the sidewalk – downtown east church street. The proposal bid amount was $56,292, not including handrails. After some discussion it was the consensus of the board to table the matter until additional quotes were provided. TA Smith informed the board that several contractors were contacted; however, no additional quotes were received. TA Smith also noted that at the previous meeting a request was made to provide a quote with additional steps in the center section of the sidewalk, the bid amount for this option was $59,992. Neither quote includes handrails. TA Smith stated that handrails will be required for the sidewalk to meet ADA compliance. The estimated cost for the

handrails is $11,875. The sidewalk construction (excluding handrails) will take approximately five days, and handrail installation will take about three days.

Commissioner Tashau Mathis recused herself from this portion of the meeting.

Commissioner Billy Wilson stated that he supports the sidewalk repair project; however, he noted that additional requests for sidewalk repairs are to be expected once the E. Church sidewalk has been completed. TA Smith stated that several request have been made from the church on East Main Street.

After some discussion, a motion was made by Commissioner Adam Quinn and seconded by Commissioner Billy Wilson to table the matter to the next meeting, requesting an additional quote that includes an estimated repair cost for the sidewalk located at 103 E. Main Street.

I. Approval of Budget Amendment #12: Powell Bill: $12,000

No action.

III. Reports

A. Administration
- Monthly Budget vs Actual- TA Smith presented to the Board a revenue/expense summary for January 31, 2026
- Cash Report – TA Smith provided the board with a cash report.
- Draft Agenda – Budget Worksession- TA Smith informed the Board that the budget worksession will take place during the March regular meeting. She also reported that the roof repairs at the Town Hall and Police Department have been completed. In addition, the new AC unit for the Rose Hill Library is scheduled to be installed on Thursday.

B. Police – none
C. Fire – Fire Chief Billy Wilson gave a verbal report
D. Public Works – None
E. Recreation-
F. Tax Collection- Deputy Clerk Vickie Dixon stated that as of January 2026, 77.70% of property taxes have been collected.
G. Attorney- None

IV. Comments from Mayor and Board

Mayor Davy C. Buckner expressed great gratitude to all that attended the meeting as well as Town Staff.

V. Adjourn

Time: 6:30 p.m.
Motion: Commissioner Adam Quinn
Seconded: Commissioner Tashau Mathis
Vote: Yes 4 No 0

Respectfully Submitted,

Keren Parker
Town Clerk

March 1, 2026

To: Rose Hill Board of Commissioners

From: Billy Wilson, Fire Chief, Rose Hill Firemen, Inc.

RE: FY 26-27 Contribution

Mayor and Board:

Please accept this official request for FY 26-27 contribution in the amount of $64,945, which an increase of 2% from FY 25-26. This 2% increase is an annual increase as stated in the contract agreement. Furthermore, per the contract agreement between Rose Hill Firemen, Inc. and the Town of Rose Hill a written request is required before funding is considered.

As always, thank you for your continued support of the Rose Hill Fire Department.

Sincerely,

Billy Wilson

Billy Wilson
Fire Chief
Rose Hill Firemen, Inc.

Town of Rose Hill

Home of the World's Largest Frying Pan

FY 25-26 BUDGET ORDINANCE AMENDMENT #14: GF: $90,000

To: Mayor and Board
From: Angela Smith
Date: March 10, 2026
REF: FY 25-26 BUDGET ORDINANCE AMENDMENT #14: General Fund: $90,000

Background: The amendment reflects additional revenue resulting from the Duplin County revaluation for FY 2025–2026. The revenue originally budgeted for FY 25–26 was intentionally conservative due to anticipated citizen appeals, valuation errors, and releases that could reduce collections. The updated projection provides a more accurate depiction of expected revenue and makes these additional funds available for street paving.

Recommendation: (Motion Required): That the following Budget Ordinance Amendment be approved.

Budget Ordinance Amendment #14
General Fund
Fiscal Year 2025-2026

BE IT ORDAINED by the Mayor and Board of Commissioners of the Town of Rose Hill, North Carolina, that pursuant to North Carolina General Statute 159-15, the following budget ordinance amendment be made:

REVENUE

	Description	Increase/(Decrease)
10-3110-2025	Ad Valorem Taxes-2025	$90,000.00

EXPENSE

10-5600-3516	Paving	$90,000.00

Moved: _____
Seconded: _____
Vote: Yes No __

_____ _____

Town Clerk **Mayor**

TOWN OF ROSE HILL
MAJOR SUBDIVISION
FINAL PLAT
Staff Report

Title: Final Plat Submission for Duplin County Tax Parcel ID 11-506.

Purpose: To review and consider a Final Plat submission.

Background: The Town received a final plat submission from Chasten Wallace (property owner) for the subdivision of an approximately 1.86-acre tract into six (6) lots. The subject property is Duplin County Tax Parcel ID 11-506.

Pursuant to Chapter 153 – Subdivision Regulations of the Town's Code of Ordinances, a subdivider shall submit to the Planning Board, a copy of the final plat for review and recommendation to the Town Board.

The Town Board shall review the final plat submission and determine if the standards of the ordinance have been met.

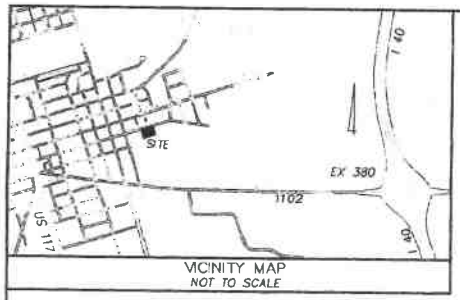
Summary: The subject property is currently undeveloped and zoned R-1, Residential District. The applicant is proposing to subdivide the parcel into 6 lots that meet the requirements for the R-1 zoning district.

The parcel is served by public water and sewer and does not contain any special flood hazard areas.

At their November 12, 2025 meeting, the Town Board approved the preliminary plat.

A copy of the preliminary plat has been included with this memo.

Staff Recommendation: Staff recommends Town Council approve the Final Plat.



VICINITY MAP
NOT TO SCALE

RECORDED REFERENCES:
DEED BOOK 608, PAGE 561
DEED BOOK 708, PAGE 25
DEED BOOK 944, PAGE 784
DEED BOOK 1032, PAGE 661
DEED BOOK 1032, PAGE 675
DEED BOOK 1657, PAGE 351
DEED BOOK 1933, PAGE 141
MAP BOOK 24, PAGE 13
MAP BOOK 216, PAGE 343

N. C. GRID NORTH (NAD 83)(2011)
DISTANCES SCALED TO GRID SITE
COMBINED GRID FACTOR = .999880

LEGEND:
- N/F – NOW OR FORMERLY
- AG – TOP ABOVE GROUND
- BG – TOP BELOW GROUND
- FG – FLUSH WITH GROUND
- CP – COMPUTED POINT
- LP – LIGHT POLE
- PP – POWER POLE
- CPSF – COTTON PICKER SPIKE FOUND
- CPSS – COTTON PICKER SPIKE SET
- IRF – IRON ROD FOUND
- IRF – IRON ROD FOUND
- IRS – IRON ROD SET
- IPF – IRON PIPE FOUND
- IPS – IRON PIPE SET
- RRSF – RAILROAD SPIKE FOUND
- RRSS – RAILROAD SPIKE SET
- PKF – PK NAIL FOUND
- PKS – PK NAIL SET
- MNF – MAG NAIL FOUND
- MNS – MAG NAIL SET
- AXLE – AXLE FOUND
- CMF – CONCRETE MONUMENT FOUND
- NCGS – NC GEODETIC SURVEY TRAVERSE STATION
- SS MH – SANITARTY SEWER MANHOLE
- PROPERTY LINES OF THIS SURVEY
- TIE LINES, OLD PROPERTY LINES, ETC.
- DITCH OR OLD ROAD AS NOTED
- WIRE FENCE LINE
- CHAIN LINK FENCE
- CENTER LINE
- RIGHT OF WAY
- UNDERGROUND SANITARY SEWER
- POTABLE WATERLINE
- ELECTRIC SERVICE POWER LINE
- OVERHEAD ELECTRICAL LINE

RTIFICATE OF SURVEY & ACCURACY:

.TE OF NORTH CAROLINA --- DUPLIN COUNTY
AMES SANDLIN BLANCHARD, A PROFESSIONAL LAND SURVEYOR,
:TIFY:
.T THIS MAP WAS DRAWN FROM AN ACTUAL
.D SURVEY PERFORMED UNDER MY DIRECTION AND
SUPERVISION USING THE RECORDED REFERENCES LISTED;
THAT THE BOUNDARIES NOT SURVEYED ARE CLEARLY
INDICATED AS DRAWN;
THAT THE RATIO OF PRECISION IS 1:10,000+;
THAT ALL DATA OBTAINED WITH GPS METHODS AS WELL
AS CONVENTIONAL METHODS ARE IN ACCORDANCE WITH A
CLASS A SURVEY AS DEFINED BY TITLE 21, CHAPTER 56,
SECTION .1803 OF THE N. C. ADMINISTRATIVE CODE;

THAT THIS GPS SURVEY USED MULTIPLE OCCUPATIONS
OF GPS POINTS USING CARLSON SURVEY GRADE
GPS UNITS, MODEL SUPER G, AND THE COORDINATES
WERE OBTAINED BY NCGS RTK NETWORK ADJUSTMENTS
WITH A POSITIONAL ACCURACY OF 0.09 U.S. FT.
USING GEOID MODEL GEOID12;

THAT THIS MAP CONFORMS TO GS 47-30 AS AMENDED
THAT THE SURVEY IS LOCATED IN SUCH PORTION
OF A COUNTY OR MUNICIPALITY THAT IS REGULATED AS TO
AN ORDINANCE THAT REGULATES PARCELS OF LAND.

(11)A. THAT THE SURVEY CREATES A SUBDIVISION OF LAND
WITHIN THE AREA OF A COUNTY OR MUNICIPALITY
THAT HAS AN ORDINANCE THAT REGULATES
PARCELS OF LAND.

2/25/2026
DATE

JAMES SANDLIN BLANCHARD, PLS ~ L-3454
437 SARECTA RD., KENANSVILLE, NC 28349, 910-396-1971

NORTH CAROLINA PROFESSIONAL SEAL L-3454 LAND SURVEYOR JAMES SANDLIN BLANCHARD

SURVEYOR'S NOTES:
1. DISTANCES ARE GRID.
2. DISTANCES ARE IN U.S. SURVEY FEET.
3. COORDINATES ARE IN U.S. SURVEY FEET.
4. ALL AREAS COMPUTED BY COORDINATES.
5. BUILDINGS AND IMPROVEMENTS ARE SHOWN WHERE VISABLE.
6. WETLANDS AND HAZARDOUS MATERIALS NOT LOCATED.
7. THIS PLAT WAS PREPARED WITHOUT THE BENEFIT OF A TITLE REPORT WHICH MAY REVEAL ADDITIONAL CONVEYANCES, EASEMENTS, OR RIGHT-OF-WAYS NOT SHOWN.
8. ALL PROPERTY OWNERSHIPS LISTED WHERE DEEDS WERE FOUND.
9. ZONED R-1

CHURCH STREET
HALL STREET
HALL STREET EXT.
N 72°32'44" E 323.17'
N 72°32'44" E 50.00'
S 72°32'44" W 136.59'
N 72°32'44" E 136.58'
S 72°32'44" W 323.17'
S 18°15'42" E 225.39'
N 18°15'42" W 250.39'
DITCH
EXISTING SEWER EASEMENT DEED BOOK 708, PAGE 25
25.00'
136.59'
136.58'
75.13'

LOT 1
0.24 Ac+_
10261 Sq. Feet

LOT 2
0.24 Ac+_
10261 Sq. Feet

LOT 3
0.24 Ac+_
10261 Sq. Feet

LOT 4
0.24 Ac+_
10260 Sq. Feet

LOT 5
0.24 Ac+_
10260 Sq. Feet

LOT 6
0.24 Ac+_
10260 Sq. Feet

NC GRID COORDINATES
N = 392956.5117sFT
E = 2294664.3853sFT
LAT= 34.82571
LON=-78.01811

CERTIFICATE OF REVIEW OFFICER

STATE OF NORTH CAROLINA --- DUPLIN COUNTY
I, HEREBY CERTIFY THAT THE MAP OR PLAT TO WHICH THIS CERTIFICATION IS AFFIXED MEETS ALL STATUTORY REQUIREMENTS FOR RECORDING.

REVIEW OFFICER DATE

CERTIFICATE OF APPROVAL FOR RECORDING

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF TOWN OF ROSE HILL, NORTH CAROLINA AND THAT THIS PLAT HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE REGISTER OF DEEDS OF DUPLIN COUNTY.

TOWN ADMINISTRATOR DATE

CURRENT LISTED OWNER:
JAMES H. COTTLE JR.
DEED BOOK 1032, PAGE 661

SURVEY DATE: JULY 15, 2025
MAP DATE: AUGUST 11, 2025
REVISED PER COMMENTS AUGUST 27, 2025
REVISED FOR FINAL FEBRUARY 25, 2026

LOCATED IN THE TOWN OF ROSE HILL

DRAWN BY: JSB | JOB# 25032-WALLACE

SURVEYING, MAPPING, & MODELING
SITE LAYOUT & DESIGN
BLANCHARD LAND SURVEYING
KNOW YOUR BOUNDARIES.
437 SARECTA ROAD
KENANSVILLE, NC 28349
JAMES SANDLIN BLANCHARD, PLS
MI ESPOSA DINA ESPANOL @919-584-0170
JIMMYS @ 910-271-3447
THE LORD IS MY SHEPARD, I SHALL NOT WANT.
email: jamessandlinblanchard@gmail.com

TOWNSHIP – ROSE HILL
COUNTY – DUPLIN
STATE OF NORTH CAROLINA

BOUNDARY & SUBDIVISION SURVEY FOR:

WALLACE CHURCH ST. SUB.

BAR SCALE – U.S. SURVEY FEET
0 30' 60' 90'
1 inch = 30ft.

TOWN OF ROSE HILL
PERFORMANCE GUARANTEE
Staff Report

Title: Resolution Approving a New Performance Guarantee Agreement with Chasten Wallace for the Guarantee of Installation of Required Improvements within the Wallace Church Street Subdivision

Purpose: To approve a request by Chasten Wallace (Developer) to enter into a new performance guarantee agreement for the guarantee of installation of required improvements within the Wallace Church Street Subdivision.

Background: The Wallace Church Street Subdivision is an approved residential subdivision located within the Town of Rose Hill. The approved preliminary plat is attached as Attachment A.

The subdivider is responsible for installing certain required improvements in accordance with Town standards. Pursuant to Section 153.27 of the Town's Code of Ordinances, in lieu of requiring the completion, installation, and dedication of all improvements prior to final plat approval, the Town may enter into an agreement with the subdivider whereby the subdivider shall agree to complete all required improvements.

Summary: The applicant is requesting a new performance guarantee agreement with the Town. To secure the new performance guarantee, the Developer shall provide, either one or a combination of a surety performance bond, a cash bond, or an irrevocable letter of credit in an amount not exceeding 1.25 times the entire estimated cost of the improvements.

The Town's Engineer has reviewed the estimated quantities and estimated cost of the required improvements included in the performance guarantee agreement and found them to be reasonable and sufficient. The performance guarantee agreement includes the following:

- Grading
- ABC stone
- Asphalt

A copy of the acceptable quantities and costs are included as Attachment B.

Sta Recommendation: Staff recommends Council adopt Resolution.

ATTACHMENT B

Proposal and Contract

Legion Asphalt, Inc.
3887 S NC 41 Hwy
Wallace, NC 28466

Phone: 910-271-8681
LegionAsphalt.com
Contractor License #78346

Name: Wallace Carpentry
2587 S NC Hwy 50. Rose Hill, NC
Phone: 910-271-4317
Email:chasenwallace@gmail.com

Date: December 22, 2025

Legion Asphalt, Inc., offers to furnish all labor, materials, and equipment required for the performance of the following described work at:

S Hall St. Extension – Rose Hill, NC

Item	Unit(s)	Total
1.5" Fine Grade & Pave (18' x 250') • Fine Grade existing stone base • Pave with 1.5" S9.5B Surface Course	500 SY's	$13,500.00

- **Price is based on NCDOT Monthly Asphalt Binder Terminal Price for Dec 2025 at $555.00 per ton.**
- **Price adjustments may be necessary if the monthly binder pricing fluctuates significantly before or during the project.**
- **Legion Asphalt Inc. assumes no responsibility for standing or ponding water on surfaces that have less than one percent designated slope.**

Terms and Conditions

- This quotation is based on Field Measurements. Prepared by Legion Asphalt, Inc.
- If there is no lump sum given, then it is understood that prices based on quantities are estimates only and payment shall be made at the stated unit prices on the actual quantities of work performed by the Company.
- All workman's compensation and general liability insurance will be provided by the company. We will also assume responsibility for the collection and payment of Social Security and State Unemployment Taxes applicable to our employees.
- Payment is due no later than 30 days from the date of invoice. Interest will accrue at (1.5%) on all open invoices older than 30 days. If any legal action is taken for collection of payments, it is understood that the customer will be responsible for both parties' legal fees.
- We at Legion Asphalt, Inc. take great pride in being a reputable asphalt contractor, we use high quality materials on every project, which ensures the look and longevity that our customers expect.
- If the foregoing meets with your acceptance, kindly sign and return the copy of our proposal. Upon its receipt it is understood that the foregoing will constitute the full and complete agreement between us.

ACCEPTED:

By: Linwood Stroud

Town Engineer
(Print name and Title)

Date: 02/05/26

NORTH CAROLINA PROFESSIONAL # PE 5279 ENGINEER LINWOOD E STROUD

Respectfully Yours,

Legion Asphalt, Inc

By:

Daniel King, President

Date: 12-22-2025

Russell Brock
886 Durwood Evans Rd.
Beulaville, NC 28518
PHONE: 910-289-0957
russellbrock@earthlink.net

DATE 12/15/25

QUOTE # 2025-35

CUSTOMER:
Chasten Wallace
Rose Hill Road Job

QTY		DESCRIPTION	PRICE	TOTAL
			$ -	$ -
			$ -	$ -
1		Grade & Rock Road approximately 18' x 225'	$29,000.00	$ 29,000.00
		of 6" compacted ABC rock	$ -	$ -
		for Rose Hill housing development	$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
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			$ -	$ -
			$ -	$ -
			$ -	$ -
			$ -	$ -
				$ -
		TOTAL		$ 29,000.00

Thank you for your business!

Accepted:
Linwood E Stroud 02/05/26

NORTH CAROLINA PROFESSIONAL # PE 5279 ENGINEER LINWOOD E STROUD

TOWN OF ROSE HILL
RESOLUTION

Resolution Approving a New Performance Guarantee Agreement with Chasten Wallace for the Guarantee of Installation of Required Improvements within the Wallace Church Street Subdivision

WHEREAS, pursuant to Section 153.27 in the Town Code of Ordinances, in lieu of requiring the completion, installation, and dedication of all required improvements, and prior to final plat approval, the Town Board may enter into an agreement with the subdivider whereby the subdivider shall agree to complete all required improvements; and

WHEREAS, to secure this agreement, the developer shall provide either one, or a combination of the following guarantees not exceeding 1.25 times the entire cost as provided in Section 153.27:

- Surety performance bond,
- Cash bond,
- Irrevocable letter of credit; and

WHEREAS, Chasten Wallace will execute one new performance guarantee agreement, attached and incorporated herein by reference as Exhibit A, to guarantee the completion of required improvements for the Wallace Church Street Subdivision; and

WHEREAS, the Town of Rose Hill has reviewed the estimated quantities and estimated costs for the stated uninstalled improvements for the Wallace Church Street Subdivision, and found the estimates to be reasonable and sufficient to complete the construction of required improvements; and

WHEREAS, to guarantee completion of the improvements, Chasten Wallace will provide a surety bond, cash bond, or irrevocable letter of credit to the Town in the amount of $53,125 which is 1.25 times the estimated cost of the improvements.

Therefore, Be It Resolved:

That the Rose Hill Board of Commissioners approves the new performance guarantee agreement between Chasten Wallace and the Town for the Wallace Church Street Subdivision.

Adopted by Town Council on this 10th day of March, 2026.

_____ _____

Davy Buckner, Mayor

Keren Parker, Town Clerk

EXHIBIT A

PAYMENT GUARANTEE AGREEMENT

This Payment Guarantee Agreement ("Agreement") is entered into this ___ day of _____, 2026, by and between **Chasten Wallace**, an individual ("Developer"), whose address is **2587 South NC Hwy 50, Rose Hill, North Carolina 28458**, and the **Town of Rose Hill, North Carolina** ("Town"), a municipal corporation organized under the laws of the State of North Carolina.

WITNESSETH:

WHEREAS, Developer proposes to develop that certain subdivision known as **Wallace Church Street Subdivision**, located in the Town of Rose Hill, in Duplin County, North Carolina (the "Subdivision"), as shown on the preliminary plat approved by the Town on **November 12, 2025**;

WHEREAS, as a condition of subdivision approval by the Town under its subdivision regulations (the "Subdivision Regulations"), Developer is required to install certain subdivision improvements including, but not limited to, streets, curbs, gutters, sidewalks, storm drainage, water/sewer mains, street lighting, landscaping and other infrastructure improvements (hereafter collectively the "Improvements") in accordance with the approved construction plans and the Town's standards;

WHEREAS, pursuant to North Carolina General Statutes Chapter 160D and the Town's Subdivision Regulations, the Town may accept a performance or payment guarantee in lieu of the full installation of the Improvements prior to final plat approval or acceptance; and

WHEREAS, Developer desires to provide this Guarantee to the Town to secure the installation/completion of the Improvements.

NOW THEREFORE, in consideration of the mutual promises set forth herein and other good and valuable consideration, the parties agree as follows:

1. **Developer's Guarantee.** Developer hereby unconditionally guarantees to the Town the payment of funds or completion of the Improvements in an amount not to exceed **Fifty Three Thousand One Hundred Twenty-Five and 00/100 Dollars ($53,125)** (the "Guaranteed Amount"), which amount represents one hundred twenty-five percent (125 %) of the approved, reasonably estimated cost of completing all required Improvements (including labor and materials) as determined and approved by the Town's engineer.

2. **Form of Security**. As security for Developer's obligations under this Agreement, Developer shall deliver to the Town, contemporaneously with execution of this Agreement, one or more of the following forms (subject to Town approval):

a. An irrevocable letter of credit issued by a financial institution authorized to do business in North Carolina;

b. A surety bond issued by a surety company licensed in North Carolina;

c. Cash escrow, certified check or other cash deposit held by the Town.

3. **Term of Guarantee**. This Agreement and the security delivered hereunder shall remain in full force and effect until such time as:

a. All required Improvements have been completed in accordance with the approved plans and the Town's standards;

b. The Town has formally accepted the Improvements or received a professional engineer's certification that the Improvements have been completed to Town specifications; and

c. A written release is executed by the Town, releasing Developer and releasing the security.

4. Default by Developer. If Developer fails to complete the Improvements in compliance with the approved plans within the timeframes required by the Town, or fails to maintain progress toward completion, the Town may declare Developer in default. Upon default, the Town may, without further notice or demand, draw upon the security up to the Guaranteed Amount, or such lesser amount as is necessary, to complete the Improvements or reimburse the Town for costs incurred in doing so.

5. Town's Rights and Remedies. The Town shall have the following rights and remedies in the event of Developer's default including, but not limited to:

a. The Town may use the proceeds of the security to cause the completion of the Improvements or portions thereof.

b. After satisfaction of all obligations, any remaining portion of the security shall be returned to Developer.

c. If the security proceeds are insufficient to complete the Improvements, Developer remains liable for the deficiency.

d. The Town's right to draw on the security is in addition to any other remedies available at law or in equity.

6. Binding Effect- Assignability. This Agreement shall bind and inure to the benefit of the parties and their respective successors and assigns. Developer may not assign or transfer its obligations hereunder except with the Town's prior written consent.

7. Governing Law -Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina. Venue for any dispute shall lie in the General Court of Justice of Duplin County and Developer submits to personal jurisdiction in that

forum.

8. **Entire Agreement-Amendment.** This Agreement constitutes the entire understanding between the parties concerning the subject matter hereof and supersedes all prior agreements or understandings. This Agreement may only be amended by a written instrument executed by both parties.

9. **Notices**. Any notice required or permitted under this Agreement shall be in writing and delivered by hand, or sent by certified mail (return receipt requested), or by reputable overnight courier, to the addresses listed above (or such other address as either party may designate in writing).

10. **Additional Town Conditions**. Developer acknowledges that in accordance with the Town's subdivision regulations (incorporated herein by reference) Developer must comply with all applicable conditions of subdivision approval, building permits, inspection requirements, and the timetable for the installation of Improvements, including obtaining necessary approvals from the Town's Engineering or Public Works departments.

11. **Time for Completion.** Developer shall complete the Improvements within twelve (12) months of the date of this Agreement, unless extended in writing by the Town for cause. If Developer fails to meet such completion date, the Town may declare a default and draw upon the security.

12. **Certification by Engineer.** Upon completion of the Improvements (or each phase thereof if phased), Developer shall submit a certification, under seal, by a professional engineer licensed in North Carolina, stating that the Improvements have been completed in accordance with the approved plans and the Town's specifications. The Town shall inspect within 30 days of such submission. If accepted, the Town shall release the security (or remaining portion) within 30 days.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written in duplicate originals.

DEVELOPER:

By: _____
Chasten Wallace
Title: _____

TOWN OF ROSE HILL

By: _____
Davy Buckner, Mayor

_____
Keren Parker, Town Clerk

EXHIBIT A

STATE OF NORTH CAROLINA
COUNTY OF _____

I, _____, a Notary Public in and for the said State and County do hereby certify that **Chasten Wallace** personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed

Witness my hand and official seal this ___ day of _____, 2026.

_____
Notary Public

My Commission Expires: _____

STATE OF NORTH CAROLINA

COUNTY OF DUPLIN

I, _____, a Notary Public in and for the said State and County aforesaid, do hereby certify that **Karen Parker**, who being by me duly sworn, says that she is the Clerk of the Board of Commissioners of The Town of Rose Hill, a municipal corporation, and that by authority duly given and as the act of the said Board of Commissioners of The Town of Rose Hill, the foregoing instrument was signed in its name by its Mayor, **Davy Buckner**, sealed with its seal, and attested by its Clerk.

Witness my hand and notarial seal, this_____day of _____, 2026.

Town Attorney
Date: _____

Thompson, Price, Scott, Adams & Co., P.A.
4024 Oleander Drive Suite 103
Wilmington, North Carolina 28403
Telephone (910) 791-4872
Fax (910) 239-8294

January 1, 2026

Town of Rose Hill
P.O. Box 8
Rose Hill, NC 28458

To Management and Those Charged with Governance

We are pleased to confirm our understanding of the services we are to provide for Town of Rose Hill for the year ended June 30, 2026.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of Town of Rose Hill as of and for the year ended June 30, 2026. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Town of Rose Hill's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Town of Rose Hill's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis
2) Net Pension Asset/Liability RSI
3) OPEB

We have also been engaged to report on supplementary information other than RSI that accompanies Town of Rose Hill's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole [in a separate written report accompanying our auditor's report on the financial statements OR in a report combined with our auditor's report on the financial statements:

1) Combining individual fund financial statements, budgetary schedules, and other schedules.

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

1) Statistical Section

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Town of Rose Hill and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Improper revenue recognition
- Management override of controls

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Town of Rose Hill's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Town of Rose Hill in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Thompson, Price, Scott, Adams, & Co., P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Oversight Agencies, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Thompson, Price, Scott, Adams, & Co., P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Gregory Adams, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately July 1, 2026.

Our fee for these services is stated in the LGC approved contract. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. If more than two additional funds are added to the current fiscal year Trial Balance over prior years Trial Balance, there will be an additional charge of $500 per fund added onto the total price of the audit.

Reporting

We will issue a written report upon completion of our audit of Town of Rose Hill's financial statements. Our report will be addressed to management and those charged with governance of Town of Rose Hill. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that Town of Rose Hill is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Town of Rose Hill and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Thompson, Price, Scott, Adams, & Co., P.A.

RESPONSE:

This letter correctly sets forth the understanding of Town of Rose Hill.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

LGC-205 Form A

CONTRACT TO AUDIT ACCOUNTS

Rev. 02/2026

The

Governing Board
Board of Commissioners

of

Primary Government Unit
Town of Rose Hill

and

Discretely Presented Component Unit (DPCU) (if applicable)
NA

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and

Auditor Name
Thompson, Price, Scott, Adams & Co., P.A.
Auditor Address
4024 Oleander Dr., Suite 103, Wilmington, NC 28403

Hereinafter referred to as Auditor

for

Fiscal Year Ending	Date Audit Will Be Submitted to LGC
06/30/26	12/31/26

Must be within six months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by "U.S. Auditing Standards – AICPA (Clarified)," referred to as generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). Budgetary comparison information shall be prepared in accordance with applicable GASB standards. Budget-to-actual comparisons at the level of the legally adopted budget ordinance shall be presented as required supplementary information and shall not be included in the basic financial statements. Any other budgetary comparison information shall be presented only as supplementary information for funds required to be budgeted under NCGS Chapter 159, Article 3.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. If the Governmental Unit expended $100,000 or more in combined Federal and State financial assistance during the reporting period, the Auditor shall perform the audit in accordance with *Generally Accepted Government Auditing Standards* (GAGAS). The Governmental Unit is subject to federal single audit requirements in accordance with Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, Subpart F (*Uniform Guidance*) and the State Single Audit Implementation Act. Currently the threshold is $1,000,000 for federal and state single audits, or such other threshold as applicable for the fiscal year under audit. This audit and all associated audit documentation may be subject to review by federal and State agencies in accordance with federal and State laws, including the staff of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501) the Auditor and Governmental Unit(s) should discuss, in advance of the execution of this contract, the responsibility for submission of the audit and the accompanying data collection form (form SF-FAC) to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512) to ensure proper submission.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards* (2018 revision or subsequent revisions, as applicable) issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he or she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and to the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon the Auditor's receipt of an updated peer review report. If the audit firm receives a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed, and the report of audit submitted to LGC Staff, within six months of fiscal year end. At the time of the execution of this contract, if the parties know that the anticipated submission date of the audit exceeds six months after fiscal year end, a written explanation shall be provided to the Secretary of the LGC on this contract form (see the space provided on Page 7). If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as they relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth the Auditor's findings, together with his or her recommendations for improvement. That written report shall include all matters determined to be "significant deficiencies and material weaknesses" in accordance with AU-C §265 "Communicating Internal Control Related Matters Identified in an Audit" of GAAS. The Auditor shall file a copy of that report with the Secretary of the LGC.

For GAAS or *Government Auditing Standards* audits, if an Auditor issues an AU-C §260 report, "Auditor's Communication With Those Charged With Governance," commonly referred to as a "Governance Letter," LGC staff does not require the report to be submitted unless the Auditor cites significant findings or issues from the audit, as defined in AU-C §260 paragraphs 12 - 14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious for which the Auditor consulted outside the engagement team and, in the Auditor's judgment, are significant and relevant to those charged with governance, and other findings or issues that the Auditor believes are significant and relevant. If matters identified during the audit were required to be reported as described in AU-C §260 paragraphs 12 - 14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal Single Audit Act and the State Single Audit Act. This does not include fees for any pre-issuance reviews that may be required by the North Carolina Association of Certified Public Accountants (NCACPA) Peer Review Committee or North Carolina State Board of CPA Examiners (see Paragraph 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the Secretary of the Local Government Commission to obtain a pre-issuance review or take corrective action as a result of peer review findings or quality control deficiencies, such corrective action shall be consistent with the authority and requirements of the North Carolina State Board of Certified Public Accountant Examiners, the AICPA Peer Review Program, and established Local Government Commission practice, including the use of report addenda or other remedial measures, as appropriate.

14. In accordance with G.S. 159-34, the Finance Officer of the Unit is responsible for filing the audited financial statements with the Secretary of the Local Government Commission.

The Auditor may upload the audit report and related documents through the LGC's electronic submission system; however, submission shall not be deemed complete until the Finance Officer has reviewed and certified the submission.

The Auditor, Finance Officer, other Unit staff member designated by the Finance Officer, or a third party approved by the Unit may enter all Data Input Report information except the information on the "transmittal doc info" tab. The "transmittal doc info" tab must be completed by the Auditor.

The Finance Officer shall review, approve, and certify the accuracy and completeness of the Data Input Report (DIR) in the LGC's LOGOS system prior to LGC review, regardless of whether the DIR is prepared by the Auditor or the Unit.

Finance Officer certification is required for any corrected or revised submissions.

Finance Officer certification of the DIR shall be completed in a timely manner following notification that the DIR is ready for review and within time frames prescribed by the LGC. Failure to complete certification in a timely manner may result in the audit being considered late due to unit action rather than auditor performance

The Auditor shall conduct the audit in accordance with generally accepted auditing standards and shall ensure that the financial statements are prepared in accordance with generally accepted accounting principles as of the fiscal year end. Budget-to-actual comparisons at the level of the legally adopted budget ordinance shall be presented in required supplementary information, separate from the basic financial statements, and shall not be included in the audit opinion. The Auditor shall confirm that such information reconciles to the financial statements and is consistent with applicable accounting guidance and any LGC reporting requirements.

The Finance Officer shall certify in a timely manner that all data inputted in LOGOS used for preparation of the financial statements and required supplementary information is complete and accurate.

For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and preaudited if the change includes a change in audit fee (preaudit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Paragraph 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in The Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and Finance Officer also shall be included on this contract.

20. The contract shall be executed, preaudited (preaudit requirement does not apply to hospitals) and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. The Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if the Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 or 2024 Revision* (as applicable). Preparing financial statements in their entirety shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, the Auditor must document and include in the audit workpapers how the Auditor reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The Auditor shall present the audited financial statements including any compliance reports to the Government Unit's Governing Board or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary of the LGC. The Auditor's presentation to the Governing Board or audit committee shall include:

a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the Auditor, and any other issues related to the internal controls or fiscal health of the Government Unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the Auditor regarding internal controls as required by current auditing standards;

b) the status of the prior year audit findings;

c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and

d) notification to the Governing Board that the Governing Board shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under Rule 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary of the LGC through the LGC's LOGOS system, including completion of the Data Input Report (DIR). Submission is not complete and shall not be accepted by the LGC until the Finance Officer has reviewed and certified the DIR in accordance with Paragraph 14 of this contract.

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Paragraph 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and Units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit.

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. **Applicable to audits with fiscal year ends of June 30, 2025, and later.** The Unit authorizes the LGC to grant access to the LGC's LOGOS system, including the Data Input Report (DIR), to employees of the contracted audit firm who are associated with and acting on behalf of the firm for purposes of performing audit and reporting services under this contract. Such access shall be limited to the scope necessary to perform contracted services and shall not relieve the Auditor or the Unit of their respective responsibilities under this contract.

34. Changes or edits to the text of this contract form are not permitted, except for the Secretary's authority to revise or update this contract form pursuant to LGC Rule 20 NCAC 03. 0502.

For contracts with an anticipated audit submission date exceeding six months after fiscal year end, please use this space to explain the reason for the late submission, as required by Paragraph 6 of this contract form:

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards,2018 Revision*. Refer to Paragraph 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: ☑ Auditor ☐ Governmental Unit ☐ Third Party

If applicable: The individual at the Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	***Title and Unit / Company:***	***Email Address:***
Angela Smith	Finance/Rose Hill	angela@townofrosehillnc.com

OR Not Applicable ☐ *(Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)*

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Paragraphs 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit firm for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the Unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in Rule 20 NCAC .0503 shall be submitted to the Secretary of the LGC for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

Primary Government Unit	Town of Rose Hill
Audit Fee (financial and compliance if applicable)	$ 16,500
Fee per Major Program (if not included above)	$ 3000.00 if applicable
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	$
All Other Non-Attest Services	$
TOTAL AMOUNT NOT TO EXCEED	$ 25,500

Discretely Presented Component Unit	NA
Audit Fee (financial and compliance if applicable)	$
Fee per Major Program (if not included above)	$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	$
All Other Non-Attest Services	$
TOTAL AMOUNT NOT TO EXCEED	$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Thompson, Price, Scott, Adams & Co., P.A.	
Authorized Firm Representative (typed or printed)* Gregory S Adams, CPA	Signature*
Date*	Email Address* gadams@tpsacpas.com

GOVERNMENTAL UNIT

Governmental Unit* Town of Rose Hill	
Date Governing Board Approved Audit Contract* **(Enter date in box to right)**	
Mayor/Chairperson (typed or printed)* Davy Buckner, Mayor	Signature*
Date	Email Address* fuzzybuckner22@gmail.com

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

GOVERNMENTAL UNIT – PREAUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by The School Budget and Fiscal Control Act.

Sum Obligated by This Transaction:	$ 25,500
Primary Governmental Unit Finance Officer* (typed or printed) Angela Smith, Finance	Signature*
Date of Preaudit Certificate*	Email Address* angela@townofrosehillnc.com

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU* NA	
Date DPCU Governing Board Approved Audit Contract* **(Enter date in box to right)**	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

DPCU – PREAUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by The School Budget and Fiscal Control Act.

Sum Obligated by this Transaction:	$
DPCU Finance Officer (typed or printed)*	Signature*
Date of Preaudit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

PRINT

REVENUE V/S EXPENDITURES SUMMARY
MONTH ENDING FEBRUARY 28, 2026
% of FY=67%

GENERAL FUND	Budgeted (Amended)	Actual	% YTD
Revenue			
Property Taxes/Motor Vehicle	$ 649,795.00	$ 723,749.61	111% **
Sales Tax	$ 555,000.00	$ 414,330.35	75%
Sales & Other Revenue	$ 212,233.84	$ 155,123.12	73%
Fund Balance Appropriation	$ 61,500.00	$ 61,500.00	100%
	$ 1,478,528.84	$ 1,354,703.08	92%
Expenses			
Administration	$ 244,662.00	$ 131,325.91	54%
Police	$ 634,905.84	$ 378,017.84	60%
Fire	$ 63,672.00	$ 63,672.00	100%
Streets	$ 254,980.00	$ 82,357.45	32%
Recreation	$ 183,085.00	$ 46,707.65	26%
Other	$ 97,224.00	$ 17,732.02	18%
	$ 1,478,528.84	$ 719,812.87	49%
WATER & SEWER			
Revenue			
Water Fees	$ 495,000.00	$ 349,212.12	71%
Sewer Fees	$ 455,000.00	$ 314,205.32	69%
Other Revenue	$ 54,840.65	$ 56,914.37	104%
Fund Balance Appropriation	$ 33,193.00	$ 33,193.00	100%
	$ 1,038,033.65	$ 753,524.81	73%
Expenses			
Administration	$ 222,516.00	$ 125,437.67	56%
Water	$ 305,298.65	$ 180,735.29	59%
Sewer/WWTP	$ 510,219.00	$ 316,591.02	62%
	$ 1,038,033.65	$ 622,763.98	60%
SANITATION			
Revenue			
Collection Fees	$ 191,000.00	$ 130,942.87	69%
Other Revenue	$ 1,400.00	$ 997.53	71%
	$ 192,400.00	$ 131,940.40	69%
Expenses			
Contracted Service	$ 138,000.00	$ 91,610.98	66%
Other	$ 54,400.00	$ 25,752.72	47%
	$ 192,400.00	$ 117,363.70	61%

Notes: **Includes Prior Years, Interest & Motor Vehicle Tax

	Budgeted (Amended)	Actual	% YTD
NCDEQ GRANT			
Revenue			
NCDEQ-Grant Proceeds	$ 150,000.00	$ 123,434.00	82%
Expenses			
Asset Inventory Assessment (AIA) Study	$ 150,000.00	$ 123,433.00	82%
GOLDEN LEAF GRANT			
Revenue-$365,800 will be reimbursed			
Grants Proceeds	$ 395,800.00	$ 55,617.18	14%
Town of Rose Hill	$ 162,602.00	$ 16,516.30	10%
	$ 558,402.00	$ 72,133.48	13%
Expenses			
Construction	$ 446,192.00	$ -	0%
Contigency	$ 22,310.00	$ -	0%
Engineering	$ 59,900.00	$ 55,617.18	93%
Administrative	$ 30,000.00	$ 16,516.30	55%
	$ 558,402.00	$ 72,133.48	13%
CDBG-NR GRANT			
Revenue			
Grant Proceeds	$ 950,000.00	$ -	0%
Expenses			
Rehabilitation Costs	$ 855,000.00	$ -	0%
Adminstrative Costs	$ 95,000.00	$ 2,303.80	2%
	$ 950,000.00	$ 2,303.80	0%

NC Capital Management
Trust Accounts (Savings)

General Fund

Balance Jan 31, 2026	$	2,389,947.85
Transfer In/Out	$	61,591.06
Interest Earnings	$	6,656.52
Balance Feb 28, 2026	$	2,458,195.43

Water Fund

Balance Jan 31, 2026	$	1,199,810.91
Transfer In/Out	$	-
Interest Earnings	$	3,298.11
Balance Feb 28, 2026	$	1,203,109.02

Powell Bill

Balance Jan 31, 2026	$	85,883.38
Transfer In/Out	$	-
Interest Earnings	$	236.08
Balance Feb 28, 2026	$	86,119.46

Library

Balance Jan 31, 2026	$	16,935.25
Transfer In/Out	$	-
Interest Earnings	$	46.55
Balance Feb 28, 2026	$	16,981.80

Asset Reserve (Water)

Balance Jan 31, 2026	$	91,778.00
Transfer In/Out	$	-
Interest Earnings	$	252.28
Balance Feb 28, 2026	$	92,030.28

Cash in First Bank
As Of February 28, 2026

$430,160.15

Rose Hill Recreation Commission

Lois Mobley, Recreation Director **Appointed 12-09-86**

Name	Term	Effective Date	Date To Reappoint
Kevin Williams	3 years	Mar. 2026	Mar. 2029
Randy Barrios	3 years	Mar. 2026	Mar. 2029
Debbie Williams	3 years	Mar. 2026	Mar. 2029
Bobby Ward	3 years	Mar. 2026	Mar. 2029
Jarvis Miller	3 years	Mar. 2026	Mar. 2029
Rossi Cavenaugh	3 years	Mar. 2026	Mar. 2029
Lee Gavin	3 years	Mar. 2026	Mar. 2029
Danny Wells	3 years	Mar. 2026	Mar. 2029
Brad Rivenbark	3 years	Mar. 2026	Mar. 2029

Town of Rose Hill

Home of the World's Largest Frying Pan

Town of Rose Hill
Agenda
Budget Worksession
March 10, 2026

1. **Overview by Town Administrator**
2. **Departmental requests including capital outlay:**

   -Police

   -Public Works/Utilities

   -Parks & Recreation

   -Administration
3. **Board Requests**

103 SE Railroad Street, P.O. Box 8, Rose Hill, N.C. 28458
Telephone 910-289-3159 ~ Fax 910-289-4461
Email: rosehill@embargmail.com
www.townofrosehillnc.com

Budget Worksession Summary – March 10, 2026

Property Taxes

For FY 2025–2026, property tax revenue was originally based on a 35% valuation increase, resulting in an estimated $87,600,000 valuation. This intentional conservative estimate accounted for potential revaluation errors, citizen appeals, and releases. At a tax rate of $0.64 per $100, this produced a budgeted revenue of $538,000, representing 96% of the total billed amount.

Based on Duplin County billing $674,000 in 2025, the tax valuation is $105,312,000. Applying the same 96% collection rate yields approximately $647,000 in anticipated revenue. This updated figure forms the basis for projected FY 2026–2027 revenue.

The additional revenue will flow into the General Fund, with the primary intent of continuing the Town's street paving program and recreation repairs and infrastructure needs.

Water and Sewer Rates

As previously discussed with the Board, water and sewer rates need to be adjusted to keep pace with operational costs and infrastructure needs. The last rate increase occurred in 2022. This need for an increase is also mentioned in the annual FY 24-25 audit.

I am proposing a 7% increase in both water and sewer rates. For context:

- **The statewide median combined residential water/sewer bill for 5,000 gallons is $94.82.**
- **Our current rate for 5,000 gallons is $79.13.**
- **A 7% increase brings this to $84.66, which remains below the statewide median.**
- **Using the same 5,000 gallons as a basis for average residential usage, this would increase utility bills by approximately $5.50.**

A 20% increase would bring us closer to the median but would be too burdensome for customers. Gradual adjustments are more appropriate.

A 7% increase is expected to generate approximately $66,000 in additional annual revenue. These funds can support equipment upgrades, minor infrastructure projects, and help position the Town more favorably for future grant opportunities.

Rate comparison sheets showing increases from 6% through 7% has been provided.

Rate Schedule

Updates to the rate schedule are included, with all changes marked by an asterisk for easy identification.

Street Paving

Blake and I have reviewed the full street inventory. Streets recommended for the next paving cycle are highlighted in green on the attached list.

MEMORANDUM

To: Town of Rose Hill Board of Commissioners
From: Angela Smith
Date: March 10, 2026
Subject: Key Highlights of the Preliminary Proposed Budget for FY 26-27

This memorandum outlines the primary elements included in the preliminary draft budget for the upcoming fiscal year. The draft budget is fully balanced and does not rely on fund balance for recurring operational expenses, maintaining the Town's commitment to long-term financial stability and responsible fiscal management.

Budget Highlights

Utilities and Infrastructure

- A 7% increase in water and sewer rates is proposed; the last rate adjustment occurred in May 2022.
- Funding is included for one-time capital outlay purchases in the Water, Wastewater, and Street Departments, including a new tractor, a side mower, and two replacement lawnmowers.
- The Street Department budget includes additional funding for paving, supporting continued roadway maintenance and improvement.

Public Safety and Technology

- The Police Department will receive two rugged laptops to enhance field operations, reporting efficiency, and reliability in mobile environments.

Town Facilities and Maintenance

- Funding is allocated for painting the exterior of Town Hall and the Police Department, addressing needed maintenance and improving the appearance of municipal facilities.

Parks and Recreation

- The budget supports continued improvements to Jimmy Jerome Park, enhancing recreational amenities and community use.

Personnel Compensation

- The proposal includes a 3% COLA increase for all full-time employees.
- A 2% one-time bonus is also included to recognize employee contributions.

Summary

The preliminary proposed budget strengthens essential services, invests in critical equipment and infrastructure, and supports competitive employee compensation—all while maintaining a balanced financial position without the use of fund balance for ongoing operations. These investments position the Town to continue delivering high-quality services and amenities to residents.

Town of Rose Hill
Water/Sewer Rate Schedule

	Current	Proposed 7.0% Increase Effective July 1, 2026
Water Rate (IN TOWN)[a]:		
Fixed Monthly Charge (No Usage)	$22.63	$24.21
First 10,000 gallons	$2.75/m	$2.94/m
Next 15,000 gallons	$3.12/m	$3.34/m
Over 25,000 gallons	$3.49/m	$3.73/m
Water Rate (OUT OF TOWN)[a]:		
Fixed Monthly Charge (No Usage)	$42.21	$45.16
First 10,000 gallons	$4.92/m	$5.26/m
Next 15,000 gallons	$5.62/m	$6.01/m
Over 25,000 gallons	$6.35/m	$6.79/m
Bulk Users[b] Fixed Monthly Charge (No Usage): In/Out of Town	$37.91	$40.56
Per 1,000 gallons (In/Out of Town)	$3.64/m	$3.89/m
Wastewater Rate (IN TOWN):		
Fixed Monthly Charge (No Usage)	$17.20	$18.40
Charge per thousand gallons of water treated	$5.11/m	$5.47/m
Wastewater Rate (OUT OF TOWN):		
Fixed Monthly Charge (No Usage)	$34.13	$36.52
Charge per thousand gallons of water treated	$9.96/m	10.66/m

a-All variable charges shown are the amount per 1,000 gallons metered water use.
b-Bulk Users are those that use an average volume of greater than 30,000 gallons per day in a given billing cycle.

5,000 Gallons of Usage is $84.66 (Residential Water and Sewer Only)

Town of Rose Hill
Water/Sewer Rate Schedule

	Current	Proposed 6.75% Increase Effective July 1, 2026
Water Rate (IN TOWN)[a]:		
Fixed Monthly Charge (No Usage)	$22.63	$24.16
First 10,000 gallons	$2.75/m	$2.94/m
Next 15,000 gallons	$3.12/m	$3.33/m
Over 25,000 gallons	$3.49/m	$3.73/m
Water Rate (OUT OF TOWN)[a]:		
Fixed Monthly Charge (No Usage)	$42.21	$45.06
First 10,000 gallons	$4.92/m	$5.25/m
Next 15,000 gallons	$5.62/m	$6.00/m
Over 25,000 gallons	$6.35/m	$6.78/m
Bulk Users[b] Fixed Monthly Charge (No Usage): In/Out of Town	$37.91	$40.47
Per 1,000 gallons (In/Out of Town)	$3.64/m	$3.89/m
Wastewater Rate (IN TOWN):		
Fixed Monthly Charge (No Usage)	$17.20	$18.36
Charge per thousand gallons of water treated	$5.11/m	$5.45/m
Wastewater Rate (OUT OF TOWN):		
Fixed Monthly Charge (No Usage)	$34.13	$36.43
Charge per thousand gallons of water treated	$9.96/m	10.63/m

a-All variable charges shown are the amount per 1,000 gallons metered water use.
b-Bulk Users are those that use an average volume of greater than 30,000 gallons per day in a given billing cycle.

5,000 Gallons of Usage is $84.47 (Water and Sewer Only)

Town of Rose Hill
Water/Sewer Rate Schedule

	Current	Proposed 6.5% Increase Effective July 1, 2026
Water Rate (IN TOWN)[a]:		
Fixed Monthly Charge (No Usage)	$22.63	$24.10
First 10,000 gallons	$2.75/m	$2.93/m
Next 15,000 gallons	$3.12/m	$3.32/m
Over 25,000 gallons	$3.49/m	$3.72/m
Water Rate (OUT OF TOWN)[a]:		
Fixed Monthly Charge (No Usage)	$42.21	$44.95
First 10,000 gallons	$4.92/m	$5.24/m
Next 15,000 gallons	$5.62/m	$5.99/m
Over 25,000 gallons	$6.35/m	$6.76/m
Bulk Users[b] Fixed Monthly Charge (No Usage): In/Out of Town	$37.91	$40.37
Per 1,000 gallons (In/Out of Town)	$3.64/m	$3.88/m
Wastewater Rate (IN TOWN):		
Fixed Monthly Charge (No Usage)	$17.20	$18.32
Charge per thousand gallons of water treated	$5.11/m	$5.44/m
Wastewater Rate (OUT OF TOWN):		
Fixed Monthly Charge (No Usage)	$34.13	$36.35
Charge per thousand gallons of water treated	$9.96/m	10.61/m

a-All variable charges shown are the amount per 1,000 gallons metered water use.
b-Bulk Users are those that use an average volume of greater than 30,000 gallons per day in a given billing cycle.

5,000 Gallons of Usage is $84.27 (Residential Water and Sewer Only)

Town of Rose Hill
Water/Sewer Rate Schedule

	Current	Proposed 6% Increase Effective July 1, 2026
Water Rate (IN TOWN)[a]:		
Fixed Monthly Charge (No Usage)	$22.63	$23.99
First 10,000 gallons	$2.75/m	$2.92/m
Next 15,000 gallons	$3.12/m	$3.31/m
Over 25,000 gallons	$3.49/m	$3.70/m
Water Rate (OUT OF TOWN)[a]:		
Fixed Monthly Charge (No Usage)	$42.21	$44.74
First 10,000 gallons	$4.92/m	$5.22/m
Next 15,000 gallons	$5.62/m	$5.96/m
Over 25,000 gallons	$6.35/m	$6.73/m
Bulk Users[b] Fixed Monthly Charge (No Usage): In/Out of Town	$37.91	$40.18
Per 1,000 gallons (In/Out of Town)	$3.64/m	$3.86/m
Wastewater Rate (IN TOWN):		
Fixed Monthly Charge (No Usage)	$17.20	$18.23
Charge per thousand gallons of water treated	$5.11/m	$5.42/m
Wastewater Rate (OUT OF TOWN):		
Fixed Monthly Charge (No Usage)	$34.13	$36.18
Charge per thousand gallons of water treated	$9.96/m	10.56/m

a-All variable charges shown are the amount per 1,000 gallons metered water use.
b-Bulk Users are those that use an average volume of greater than 30,000 gallons per day in a given billing cycle.

5,000 Gallons of Usage is $83.92 (Residential Water and Sewer Only)

Town of Rose Hill
Rate Schedule
Effective Date: July 1, 2026

Approved by: Board of Commissioners: June 9, 2026

1. Water and Sewer Rates and Other Fees:

***Water Rate-In Town (Per 1,000 Gallons)**

Fixed Monthly Charge (No Usage)	$24.21
First 10,000 gallons	$2.94/m
Next 15,000	$3.34/m
Over 25,000	$3.73/m

***Water Rate-Out of Town (Per 1,000 Gallons)**

Fixed Monthly Charge (No Usage)	$45.16
First 10,000 gallons	$5.26/m
Next 15,000	$6.01/m
Over 25,000	$6.79/m

***Bulk Users[a]-In and Out of Town**

Fixed Monthly Charge (No Usage)	$40.56
Per 1,000 Gallons	$3.89/m

***Wastewater Rate-In Town**

Fixed Monthly Charge (No Usage)	$18.40
Charge Per 1,000 Gallons Treated	$5.47/m

***Wastewater Rate-Out of Town**

Fixed Monthly Charge (No Usage)	$36.52
Charge Per 1,000 Gallons Treated	$10.66/m

a-Bulk Users are those that use an average volume of greater than 30,000 per day in a given billing cycle.

Disconnect/Reconnect Fee:

Utility Disconnect/Reconnect Fee	$30.00

***Signifies an increase from prior year**

Signifies new fee

Water and Sewer Tap Fees-Inside and Outside Corporate Limits

Water-3/4 inch Tap	$1,200.00
1 inch	$1,450.00
1 ½ inch	$2,300.00
2 inch	$3,200.00
4 inch	$6,700.00
6 inch	$12,700.00
Sewer-4 inch tap	$1,200.00
6 inch	$1,450.00

Utility Deposits

Water-In Town-$195.00	Water-Out of Town-$200.00
Outstanding Balance Owed-$260.00	Outstanding Balanced Owed-$400.00
Sewer Only-Out of Town-$300.00	
Outstanding Balance Owed-$500.00	

2. Solid Waste:

Flat Monthly Rates[a]

Garbage	$21.00/per cart (Recycle Included)
8 Yard Dumpster	$127.41
4 Yard Dumpster	$81.08
8 Yard Cardboard Dumpster	$75.29
8 Yard Dumpster plus 2 Garbage	$117.29
8 Yard Dumpster plus 3 Garbage	$138.29
8 Yard Cardboard plus 8 Yard Dumpster	$175.00
8 Yard Cardboard plus 4 Yard Dumpster	$156.37
2-8 Yard Dumpsters	$254.82
8 Yards (2 Dumps Per Week)	$254.82
2-4 Yard Dumpsters	$162.16
4 Yard and 8 Yard Dumpster	$208.49
8 Yard Cardboard plus Garbage	$96.29
8 Yard Dumpster plus Garbage	$148.41
4 Yard Dumpster plus Garbage	$102.08

a-Once weekly pickup unless otherwise stated. Garbage is only available for in town customers.

***Signifies an increase from prior year**

Signifies new fee

3. Planning and Zoning:

Zoning Application Fee	$25.00
*Special Use Application Fee	$35.00 plus .80/letter or 8.50/certified letter
*Minor Subdivision Final Plat Filing Fee	$50.00
Major Subdivision Final Plat Filing Fee	$150.00
*Zoning Text Amendments	$250.00 plus .80/letter or 8.50/certified letter
*Rezoning Request (less than 50 property owners)	$250.00 plus .80/letter or 8.50/certified letter
*Rezoning Request (more than 50 property owners)	$1,185.00 plus .80/letter or 8.50/certified letter
Public Hearing and Legal Advertisement Notices	TBD-Total will be billed to individual requesting the hearing.

4. Miscellaneous Fees

Returned Check Fee	$20.00
Dog/Cat Registration Fee	$10.00/Animal
Copies-Black and White	.25/Page
*Copies-Color	.50/Page
Faxes	.25/Page
Golf Cart Registration Fee	$35.00

***Signifies an increase from prior year**

Signifies new fee

March 10, 2026

Preliminary Draft Budget
General Fund

Department	*Approved Budget FY 25-26*	*Draft Budget FY 26-27*	*Increase/ Decrease*
Town Board	$1,500	$100	($1,400)
Administration	$228,986	$214,083	($14,903)
Police	$620,810	$596,100	($24,710)
Fire	$63,672	$64,945	$1,273
Street	$253,980	$341,650	$87,670
Recreation	$183,085	$230,535	$47,450
Library	$18,450	$18,450	$0
Community Development	$26,500	$26,500	0
Total	$1,396,983	$1,492,363	$95,380*

* Two (2%) increase in the Fire Department per the contract; additional funding in street paving and purchase of equipment; exterior painting at Town Hall; no major capital outlay purchases in Police and Administration; continued repairs and infrastructure needs in Recreation.

Water & Sewer

Water/ Sewer Admin.	$222,216	$229,761	$7,545
Water Maintenance	$290,915	$337,900	$46,985
Wastewater Maintenance	$479,619	$511,389	$31,770
Total	$992,750	$1,079,050	$86,300*

* No major changes in Administration; capital outlay purchases in Water and Wastewater for equipment

These appropriations are based upon additional revenue due to a water and sewer rate increase of a proposed 7% and an adjustment for meter accuracy since the install of all meters.

Solid Waste

Solid Waste	$192,400	$193,400	$1,000*

* This includes an increase of 4.84% in garbage CPI (consumer price index) as allowed per contract.

Public Utilities Department Needs List for FY 2026-2027

- 2 Bobcat 6000 zero turn mowers (replaces two exmark mowers that motors are nocking and decks need replacing) Town of RoseHill ID number 140 and 155
- Hardee side mount (replaces Hardee side mount that was purchased in 2001)
- Kubota M7060 Tractor (replaces Kubota tractor that was purchased in 2001)

Island Creek Outdoor Products

390 Island Creek RD
Wallace, NC, 28466
910-271-4021

Estimate

Date	Estimate #
1/21/2026	39

Name / Address
Town of Rose Hill PO Box 8 Rose Hill, NC, 28458

Project

Description	Qty	Rate	Total
ZT6000 9996011 BOBCAT 61 DECK MSRP 12789.00	2	10,870.65	21,741.30T
Sales Tax		7.00%	1,521.89
		Total	$23,263.19

Kenansville Equipment Company, Inc.

P.O. Box 687 - 110 N. NC 11 & 903 Hwy.
Kenansville , NC 28349-0687
Telephone: (910) 296-0777 Fax: (910) 296-0222

Kubota

DEALER'S RETAIL PURCHASE ORDER

post date 1/13/2026

CUSTOMER: TOWN OF ROSE HILL

PO#

TELEPHONE:

INVOICE #

Customer Type:

FOR

QTY	N/U	STOCK NO.	DESCRIPTION	SERIAL NO.	PRICE EACH	AMOUNT
1	N		KUBOTA M7060HDC WITH			$47,300.00
			2 SET OF REAR REMOTES			
					SUBTOTAL	$47,300.00

TRADE-IN INFORMATION

STOCK NO.	SERIAL NO.	DESCRIPTION	ALLOWANCE	AMT. OWED	NET ALLOW
					$0.00
			NET ALLOWANCE		

Owed to:

PRICE OF MACHINERY	
FREIGHT	
SALES TAX	$3,311.00
TOTAL CASH PURCHASE PRICE	$0.00
TRADE-IN ALLOWANCE	$0.00
TOTAL AMOUNT DUE	
CASH WITH ORDER	
BALANCE DUE	$50,611.00

*Sales Tax ID #

**Required if not paying standard NC sales tax*

Terms

I (we) promise to pay the balance due, or in lieu thereof, to execute a time sale or equipment lease agreement which is accepted by a sales finance company or similar financial institution for the purchase of lease price of the equipment, plus additional charges, if any. Despite a possible delivery of the equipment, title shall remain in the seller until one of the foregoing is accomplished. Price is subject to increase on or before date of delivery, if price increase is imposed on dealer by manufacturer on or before date of delivery. (ROPS for used tractor: If I have elected not to purchase Rollover Protection for any used tractor, I acknowledge its availability and importance as a safety feature - either because it was discussed with me or because it was already known to me.) All used equipment is sold "as is"and without warranty.

I CERTIFY THAT THE EQUIPMENT BEING SOLD OR TRADED IS FREE OF ANY ENCUMBERANCES

BEN GRADY

Dealer Signature

Salesman:

Thank You!

Customer Signature

Kenansville Equipment Company, Inc.

P.O. Box 687 - 110 N. NC 11 & 903 Hwy.
Kenansville , NC 28349-0687
Telephone: (910) 296-0777 Fax: (910) 296-0222

DEALER'S RETAIL PURCHASE ORDER

CUSTOMER: TOWN OF ROSE HILL

PO#

TELEPHONE:

1/13/2026

INVOICE #

Customer Type:

FOR

QTY	N/U	STOCK NO.	DESCRIPTION	SERIAL NO.	PRICE EACH	AMOUNT
1	N		HARDEE DB4048 SIDE MOWER			$12,500.00
				SUBTOTAL		$12,500.00

TRADE-IN INFORMATION

STOCK NO.	SERIAL NO.	DESCRIPTION	ALLOWANCE	AMT. OWED	NET ALLOW
					$0.00
					$0.00
					$0.00
			NET ALLOWANCE		$0.00

Owed to:

PRICE OF MACHINERY	$12,500.00
FREIGHT	
SALES TAX	$875.00
TOTAL CASH PURCHASE PRICE	$0.00
TRADE-IN ALLOWANCE	$0.00
TOTAL AMOUNT DUE	
CASH WITH ORDER	
BALANCE DUE	$13,375.00

*Sales Tax ID #

**Required if not paying standard NC sales tax*

Terms

I (we) promise to pay the balance due, or in lieu thereof, to execute a time sale or equipment lease agreement which is accepted by a sales finance company or similar financial institution for the purchase of lease price of the equipment, plus additional charges, if any. Despite a possible delivery of the equipment, title shall remain in the seller until one of the foregoing is accomplished. Price is subject to increase on or before date of delivery, if price increase is imposed on dealer by manufacturer on or before date of delivery. (ROPS for used tractor: If I have elected not to purchase Rollover Protection for any used tractor, I acknowledge its availability and importance as a safety feature - either because it was discussed with me or because it was already known to me.) All used equipment is sold "as is"and without warranty.

I CERTIFY THAT THE EQUIPMENT BEING SOLD OR TRADED IS FREE OF ANY ENCUMBERANCES

BEN GRADY

Dealer Signature

Salesman:

Thank You!

Customer Signature

With



F8/R8 or F12/R12* transmissions

Two powerful transmissions are available to meet your needs. Whichever you choose, you'll get smooth and comfortable shifting performance.
**Factory option on M7060 4WD only.*

These top-of-the-line M-Series tractors are designed and equipped with advanced features including Common Rail System (CRS) with Exhaust Gas Recirculation system (EGR) and Diesel Particulate Filter (DPF) Muffler for powerful yet clean and economical performance, and an ergonomically designed Cab for easy operation, giving you the confidence you deserve to tackle tough jobs with ease, while still being gentle on the environment. Work hard, but do it with absolute pride with the M6060/M7060.

KUBOTA DIESEL TRACTOR

M6060/M7060

Kenansville Equipment Company, Inc.

P.O. Box 687- 110 N. NC 11 & 903 Hwy.
Kenansville, NC 28349-0687
Telephone:(910) 296-0777 Fax (910) 296-0222

N° 1340

Kubot

post dat

DEALER'S RETAIL PURCHASE ORDER Quote

CUSTOMER: Town of Rose Hill

PO#:

TELEPHONE:

DATE: 1/12/26

INVOICE#:

CUSTOMER TYPE:

QTY.	N/U	STOCK NO.	DESCRIPTION	SERIAL NO.	PRICE EACH	AMOUNT
1	N		Hardee DB4048 w/ tow & go			14,406
				SUBTOTAL		

TRADE-IN INFORMATION

STOCK NO.	SERIAL NO.	DESCRIPTION	ALLOWANCE	AMT. OWED	NET ALLOV
			NET ALLOWANCE		

Owed to:

*Sales Tax ID#:

*Required if not paying standard NC sales tax.

PRICE OF MACHINERY	14,406.00
FREIGHT	
SALES TAX	1008.00
TOTAL CASH PURCHASE PRICE	
TRADE-IN ALLOWANCE	
TOTAL AMOUNT DUE	
CASH WITH ORDER	
BALANCE DUE	$ 15,408.00

Terms

I(we) promise to pay the balance due, or in lieu thereof, to execute a time sale or equipment lease agreement which is accepted by a sales finance company or similar financial institution for the purchase or lease price of the equipment, plus additional charges, if any. Despite a possible delivery of the equipment, title shall remain in the seller until one of the foregoing is accomplished. Price is subject to increase on or before date of delivery, if a price increase is imposed on dealer by manufacturer on or before date of delivery. (ROPS for used tractor. If I have elected not to purchase Rollover Protection for any used tractor. I acknowledge its availability and importance as a safety feature - either because it was discussed with me or because it was already known to me.) All used equipment is sold "as is" and without warranty.

Ben

Dealer Signature

Salesman:

Thank you!

I CERTIFY THAT THE EQUIPMENT BEING SOLD OR TRADED IS FREE OF ANY ENCUMBERANCES

Customer Signature

ROSE HILL RECREATION BOARD

BUDGET PROPOSAL REQUEST

To: Rose Hill Town Board

From: Rose Hill Recreation Board

Date: March 3,2026

Subject: Budget Allocation Request – Double-Sided Batting Cage Construction

Project Overview

The Rose Hill Recreation Board respectfully requests a budget allocation of $40,000.00 to fund the construction and installation of a brand new double-sided batting cage at the Jimmy Jerome Park / House of Raeford Complex.

This project is intended to enhance the quality of athletic training facilities available to Town sponsored youth sports programs in Rose Hill.

Project Location: Jimmy Jerome Park @House of Raeford Complex Rose Hill, North Carolina

Total Budget Request

$40,000.00

Budget Year Request

Funds are requested to be included in the:

- Fiscal Year 2026/2027 Budget

*Does not include netting or lighting

S&M Guzman Painting and Services LLC.

967 Old US 701 HWY
Clinton NC 28328
910-214-5348

WE DO MORE THAN JUST PAINT



Quote

2272026

Rosehill Recreation

mans bathroom

Description	Qty	Unit price	Total price
take down all stalls and replace with new remove exsiting flooring and install new flooring cork and paint inside restroom remove exsiting floor molding and replace with new			

$8,800.00

Interior/Exterior Painting, Pressure Washing, Minor Repairs, General Labor

Subtotal	**$8,800.00**
Adjustments	$0.00

$8,800.00

Town of Rose Hill
Street Listing w/Priority

Street Name	Hard Surface (Lf)	Soil, Stone, Gravel (Lf)	Rating		
Azalea Street	701	608	2		
Briarwood Drive	1567		2		
Camellia Street	1131		2		
Canal Street	612		2		
Carolina Landing Drive	545		1		
Circle Drive	688		1,2		
Dogwood Street	1890		2		
East Blanchard Street	2817		3,2		Bay St to Hwy 117
East Center Street	2537		3,4	RRst-117	
East Church Street (117 to Newton) 2410 Lf	3522		3		RR to N. Herring
East Main Street-Hwy 117 to Newton	3827		1,2		RR to Hwy 117
East Railroad Street North	3597		1	3-ncharitytochurch	RR to Hwy 117
East Railroad Street South-Church to Main	956		2		Main to Ridge St.
East South Street-Oak to Charity	2277		2,3		Church to Charity Rd
Fifth Street-308 Fifth to RR	1958		3		Hwy 117 to Oak
First Street-All	2016		2		308 Fifth to Hwy 117
Fourth Street-All	1956		2		
Johnson Street		650	grass		
Lacarol Street	567				
Mallard Alley	315				
Marshall Street	450				
Magnolia Street	717		2		
North Ash Street	399		2		
North Bay Street	1679		2		Main St to Center St
North Elm Street	1562		2		Center to Ridge Ridge to Blanchard
North Hall Street	657		2		
North Herring Street	726		2		
North Maple Street	679		2,3		
North Newton Street	459		2		
North Oak Street	941		2		E. South to Center St
North Southerland Street-All	462		2		
North Walnut Street	1155		2		
North Pine Street	1153		2		
Park Avenue	275		1		
Pirates Lane	314		1		
Rose Street	1171		1,2		
Rosewood Lane	789		1		
Sixth Street	1969		1		
South Allison Street	532		3		
South Bay Street	1995		2		E Church to Main
South Elm Street	1995		2		Dogwood to Charity
South Fussell Street	342		2		
South Hall Street	339		2		
South Maple Street	648		2		
South Newton Street	700		3		
South Oak Street	1350		2,3		Main to Church
South Pine Street-W. Church to W. Main	653	1292	2		Charity to W. Church
South Southerland Street	387		2		
South Walnut Street	1717		2		
South West Street	1454		2		
West Center Street	1327		2		
West Church Street	1638		2,3		
West Main Street	1632		2		
West Railroad Street North	663		2		
West Railroad Street South	614		2		
Total (Linear Feet)	67787	2550			
Total (Miles)	12.7	0.48			

Paved
To Be Paved FY 25/26
To Be Paved FY 26/27

Budget Prep 26-27 Salaries
3% Salary Increase plus 2% Bonus

Employee	Dept.	Current	3% COLA		2% Bonus	O/T	Payroll Tax-7.65%	Holiday	Retirement 14.45%	Retirement 16.10%	PD 401K Mat 5%	Health Ins	Total
Angela Smith	GF	$ 40,125.00	$ 1,203.75	$ 41,328.75	$ 826.58		$ 3,224.88		$ 6,091.44			$ 5,250.00	$ 56,721.65
Keren Parker	GF	$ 22,923.68	$ 687.71	$ 23,611.39	$ 472.23	$ 1,500.00	$ 1,957.15		$ 3,696.83			$ 5,250.00	$ 36,487.60
Michael Tyndall	GF	$ 73,610.33	$ 2,208.31	$ 75,818.64	$ 1,516.37		$ 6,191.53	$ 3,600.00		$ 13,030.54	$ 4,046.75	$ 10,500.00	$ 114,703.83
Jason Debose	GF	$ 58,888.26	$ 1,766.65	$ 60,654.91	$ 1,213.10		$ 4,954.75	$ 2,900.00		$ 10,427.65	$ 3,238.40	$ 10,500.00	$ 93,888.81
Lennie Alston	GF	$ 45,346.42	$ 1,360.39	$ 46,706.81	$ 934.14	$ 2,000.00	$ 3,965.83	$ 2,200.00		$ 8,024.39	$ 2,592.05	$ 10,500.00	$ 76,923.22
Eric Lino	GF	$ 45,346.42	$ 1,360.39	$ 46,706.81	$ 934.14	$ 2,000.00	$ 3,965.83	$ 2,200.00		$ 8,024.39	$ 2,592.05	$ 10,500.00	$ 76,923.22
Arturo Castillo	GF	$ 45,346.42	$ 1,360.39	$ 46,706.81	$ 934.14	$ 2,000.00	$ 3,965.83	$ 2,200.00		$ 8,024.39	$ 2,592.05	$ 10,500.00	$ 76,923.22
Part-Time Officers	GF	$ 10,000.00	$ -	$ 10,000.00			$ 765.00						$ 10,765.00
Blake Parker	GF	$ 16,852.50	$ 505.58	$ 17,358.08	$ 347.16		$ 1,354.45		$ 2,558.41			$ 2,625.00	$ 24,243.09
Teddy Ortego	GF	$ 31,892.85	$ 956.79	$ 32,849.64	$ 656.99	$ 100.00	$ 2,570.91		$ 4,856.16			$ 10,500.00	$ 51,533.69
Lois Robinson	GF	$ 18,014.12	$ -	$ 18,014.12			$ 1,378.08						$ 19,392.20
Glenn Mobley	GF	$ 5,504.94	$ -	$ 5,504.94			$ 421.13						$ 5,926.07
Kay Hall	GF	$ 3,145.97	$ -	$ 3,145.97			$ 240.67						$ 3,386.64
Greg Mobley	GF	$ 7,389.17	$ -	$ 7,389.17			$ 565.27						$ 7,954.44
Recreaton Workers	GF	$ 8,500.00	$ -	$ 8,500.00			$ 650.25						$ 9,150.25
Bobby Ward	GF	$ 14,000.00	$ -	$ 14,000.00			$ 1,071.00						$ 15,071.00
Robert Davis	GF	$ 9,365.00	$ -	$ 9,365.00			$ 716.42						$ 10,081.42
Michael O'Connell	GF											$ 2,000.00	$ 2,000.00
Blake Parker	SW	$ 16,852.50	$ 505.58	$ 17,358.08	$ 347.16		$ 1,354.45		$ 2,558.41			$ 2,625.00	$ 24,243.09
James Shaw	Water	$ 53,258.61	$ 1,597.76	$ 54,856.37	$ 1,097.13	$ 100.00	$ 4,288.09		$ 8,099.73			$ 10,500.00	$ 78,941.32
Gerald Hanchey	Water	$ 36,010.21	$ 1,080.31	$ 37,090.52	$ 741.81	$ 100.00	$ 2,901.82		$ 5,481.22			$ 10,500.00	$ 56,815.37
Williard Fussell	Water											$ 6,500.00	$ 6,500.00
Vickie Dixon	WS Admin	$ 25,590.00	$ -	$ 25,590.00	$ -	$ -	$ 1,957.64		$ -			$ 5,000.00	$ 32,547.64
Blake Parker	WS Admin	$ 33,705.00	$ 1,011.15	$ 34,716.15	$ 694.32		$ 2,708.90		$ 5,116.81			$ 5,250.00	$ 48,486.19
Keren Parker	WS Admin	$ 22,923.68	$ 687.71	$ 23,611.39	$ 472.23	$ 1,500.00	$ 1,957.15		$ 3,696.83			$ 5,250.00	$ 36,487.60
Angela Smith	WS Admin	$ 40,125.00	$ 1,203.75	$ 41,328.75	$ 826.58		$ 3,224.88		$ 6,091.44			$ 5,250.00	$ 56,721.65
Tyler Ross	WW	$ 40,528.18	$ 1,215.85	$ 41,744.03	$ 834.88	$ 100.00	$ 3,264.94		$ 6,167.10			$ 10,500.00	$ 62,610.94
Carl Wheeler	WW	$ 56,710.00	$ 1,701.30	$ 58,411.30	$ 1,168.23	$ 3,000.00	$ 4,787.33		$ 9,042.74			$ 10,500.00	$ 86,909.60
Ben Hilliard	WW											$ 5,000.00	$ 5,000.00
Total		**$ 781,954.26**	**$ 20,413.35**	**$ 802,367.61**	**$ 14,017.17**	**$ 12,400.00**	**$ 64,404.19**	**$ 13,100.00**	**$ 63,457.13**	**$ 47,531.36**	**$ 15,061.29**	**$ 155,000.00**	**$ 1,187,338.76**

Health Insurance rates won't be available until mid to late April
Retirement Rates Subject to Change once LGERS approves rates

	FY 25/26 Approved Budget	This included a 2.5% Bonus only
*GF		$ 683,805.00
*SW		$ 23,775.00
*Water		$ 140,315.00
*Water Admin		$ 170,320.00
*WW		$ 149,290.00
Total		**$ 1,167,505.00**

*Rounded

	FY 26/27 Proposed Budget	Includes a 3% COLA & 2% Bonus	
GF	$ 692,075.36	$ 8,270.36	
SW	$ 24,243.09	$ 468.09	
Water	$ 142,256.69	$ 1,941.69	
Water Admin	$ 174,243.07	$ 3,923.07	
WW	$ 154,520.55	$ 5,230.55	
Total	**$ 1,187,338.76**	$ 19,833.76	

Difference	**$ 19,833.76**

All calculations will be rounded up in actual budget

FUND BALANCE CALCULATIONS/PROJECTIONS

	General Fund- Fund Balance		
Per Audit	Fund Balance (Unassigned) (Savings) 6/30/2025	=	$1,939,343
	Fund Balance Appr.	-	61,500
	Interest Earned	+	52,000
	Property Tax/Motor Vehicle Tax Revenue	+	90,000
	Sales Tax Revenue	+	60,000
	Projected Fund Balance As of 6/30/2026		**$2,079,843**
	Water & Sewer Retained Earnings		
Per Audit	Retained Earnings (Unrestricted) 6/30/2025	=	$972,939
	Fund Balance Appr.	-	33,000
	Water/Sewer Revenue	+	15,000
	Interest Earned	+	26,000
	Retained Earnings As of 6/30/2026		**$ 980,939**
Per Audit	Solid Waste- Fund Balance 6/30/2025	=	$160,227
	Under-run on Expenses	+	4,900
	Fund Balance As of 6/30/2026		**$165,127**

TOWN OF ROSE HILL
PUBLIC HEARING NOTICE
SUBMISSION OF FISCAL YEAR 26/27
TOWN OF ROSE HILL
PROPOSED BUDGET AND BUDGET ORDINANCE

Day: Tuesday
Date: May 12, 2026
Time: 6:00 p.m.
Place: Rose Hill Town Hall: Main Meeting Room,
103 S.E. Railroad St., Rose Hill, NC 28458

Purpose: To hear and record public comments regarding the proposed FY 26-27 Budget and Budget Ordinance for the Town of Rose Hill. The budget will not be adopted after the public hearing.

Said proposed Budget Ordinance is available for public inspection in the Offices of the Rose Hill Town Clerk and Finance Officer (located in Rose Hill Town Hall) during normal office hours (Monday-Friday, 8:00 a.m. to 5:00 p.m.). The proposed Budget Ordinance is also posted on the Town of Rose Hill's website.

Notice is further given that the adoption of the FY 26-27 Budget and Budget Ordinance may be considered at the Board's regular meeting which shall be held on June 9, 2026 at 6:00 p.m. in Rose Hill Town Hall at 103 S.E. Railroad Street, Rose Hill, NC 28458. The budget must be adopted no later than June 30, 2026.

Any person needing special accommodations,
Please contact 910-289-3159 at least 48 hours prior to the meeting.

Publish April 30 & May 7